

Washington, DC - Congressman Maurice Hinchey (D-NY) today released the following statement in response to President Bush's decision to lift the presidential moratorium imposed by his father on oil and gas drilling in environmentally sensitive parts of the Outer Continental Shelf located in the Gulf of Mexico.

"President Bush's decision to lift the presidential moratorium on oil and gas drilling on parts of the Outer Continental Shelf is nothing more than a political game designed to confuse the facts and deny the American people real solutions to high gas prices. Opening up more of the Outer Continental Shelf for drilling would not yield a drop of new oil for 10 years and would certainly do nothing to lower the cost of gas at the pump tomorrow, or next year, or five years from now. While there are a variety of steps we can take right now, the Bush administration has chosen to stick with its same old pro-oil company routine that has gotten the American people nowhere. Since President Bush took office, the price of oil has increased from less than \$30 per barrel to a recent record high of nearly \$150, and the average price of gas across the country has risen from \$1.47 per gallon to \$4.09 per gallon.

"The current moratorium, which President Bush's father imposed, applies to just 20 percent of the known oil and gas resources located in our Outer Continental Shelf. While 80 percent of known oil and gas resources that are technologically recoverable in the Outer Continental Shelf are available for drilling right now, energy companies have chosen to not produce on those acres. Instead, the energy companies are letting those leases, which they own, sit idly until the price of oil soars to \$200 or \$300 per barrel so that they can drill on them later and generate even larger profits down the road.

"The facts are clear. Only 10.5 million of the 44 million leased acres in the Outer Continental Shelf are currently producing oil or gas. Combined with the number of leased acres of federal land not producing oil or gas onshore, there are 68 million acres of public land that energy companies currently control, but haven't drilled. There's no need for the energy companies to receive any additional federal land when they have 68 million acres just sitting there waiting to be drilled. I'll continue to work with my colleagues in the House to try to compel these energy companies to start producing on the public land they've already leased

"We can only emerge from this gas price crisis by implementing a well-balanced energy policy that effectively addresses both the supply and demand sides of the equation. Given that the U.S. sits on just 2-3 percent of the world's known oil reserves yet consumes nearly a quarter of the world's oil, it's clear that we cannot drill our way out of this mess. Increased domestic oil and gas production, along with much greater oversight of the oil trading market, should play a role in our energy policy, but the U.S. must dramatically reduce its demand for oil through greater efficiency. If we could more aggressively move toward making 40 and 50 miles per gallon cars the norm, then we would overwhelmingly slash the amount of oil consumed on a

daily basis and lower prices. The U.S. must also dramatically invest in solar and other sources of renewable energy so that we can finally end our dependence on both foreign and domestic oil. A comprehensive approach like that will lead to a decline in the price of gas while President Bush's approach will do nothing except boost oil company profits."